JENNIFER M. GRANHOLM GOVERNOR



KEITH W. COOLEY DIRECTOR

## STATE BOUNDARY COMMISSION

# DOCKET #06-AP-2 ELBA TOWNSHIP/LAPEER 7-DAY REBUTTAL MATERIAL SEPTEMBER 4, 2007 – SEPTEMBER 10, 2007

### **CORRESPONDENCE FROM**

### 1. Elba Township

### 2. City of Lapeer

### 3. City of Lapeer

# 4. Gary Howell (Attorney for Petitioners)

### **DATED/RECEIVED**

September 6, 2007

September 12, 2007 \*

September 12, 2007 \*

September 12, 2007 \*

\* Postmarked to meet the September 10 deadline date.

Providing for Michigan's Safety in the Built Environment

RECEIVED
DEPT. OF LABOR & ECONOMIC GROW

ELBA TOWNSHIP OFFICE

4717 LIPPINCOTT RD LAPEER MI 48446 Phone: (810) 664-2332 Fax: (810) 664-1003

SEP - 6 2007

FAX COMMUNICATION

STATE BOUNDARY COMMISSION

THI State Boundary Commission From: Brends M Johnson, Clerk
Fax: (5/7) 24/-630/ Date: 9/6/07
Phone: Pages: 4 (inc Cover)
Re: Jochet # 06-AP-2 cc:
☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle
•Notes/Comments:
Faying Elka Township Rebuttal Re: Public
Hearing held on march 30, 2001. original hard Copy letter sent by mail 9/6/07.
Copy letter sent by mail 9/6/07.
This message is intended for the individual or entity to which it is addressed and may contain information that is privileged, confidential or exempt from
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Postal Service. Thank you.

JOHN KOSIARA, Supervisor BRENDA M. JOHNSON, Clerk NINA M. SUTER, Treasurer



MICHAEL D. HODGES, Trustee MARK W. CONNELL, Trustee MICHAEL STOCKMAN, Trustee J. PAUL STOCK, Trustee

September 6, 2007

State Boundary Commission
Re: Docket # 06-AP-2
Michigan Department of Labor & Economic Growth
P.O. Box 30004
Lansing, MI 48909
Dear Boundary Commissioners:



This letter is being submitted to you during the designated 7-day rebuttal period of September 4<sup>th</sup> through September 10<sup>th</sup>, 2007 following the public hearing held by the Boundary Commission on March 29, 2007 and the 30-day Material Period that expired on April 30, 2007.

Elba Township would like to respond to the attached letter received by the Boundary Commission from John Loudermilk dated March 30, 2007. Mr. Loudermilk does not have all the facts correct.

- 1) Elba Township has never been fined by the DEQ for any reason surrounding Potters Lake.
- 2) Elba Township did not raise the cost for individual home owners at Potters Lake to \$16,000.00 for sewer connections. The cost of each assessment was less than \$14,000.00 and this covered the cost of construction of the sewer lines.
- 3) Elba Township does not grant variances to allow residents to live in their homes if their septic systems are failing.
- 4) Elba Township has addressed problems at Lake Nepessing by building a sewer system around the lake in 1989 that originally consisted of 2 five acre treatment ponds. Additionally, in 2002, a 3<sup>rd</sup> 3 acre pond was constructed and Elba Township continues to maintain and operate this system.
- 5) The sewer system at Potters Lake is serviced through Genesee County and Elba Township is currently expanding that system by 450 R.E.U's. Completion is expected to be within the next 180 days.

Thank you again for your time.

Sincerely,

John Kosiara

Elba Township Supervisor

**Enclosures** 



**LUAKER REALTY** 

John Loudermilk 282 Mansfield Drive Lapeer, MI 48446

March 30, 2007

State Boundary Commission
Re: Docket # 06-AP-2
Michigan Dept. of Labor & Economic Growth
611 W. Ottawa St.
P.O. Box 30004
Lansing, MI 48909

DEPT. FLABOR & ECONOMIC GROWN

APR 5 2007

OFFICE OF LICY & LEGISLAL.

DUNDARY COMMISSIE.

To Whom It May Concern:

I'm writing this letter in support of the City of Lapeer bringing into the City the Elba Township islands surrounded by the City of Lapeer. These properties are located on the south side of Oregon Rd. west of Millville Rd., the west side of Millville Rd. between Oregon Rd. and Davison Rd., and on the north side of Davison Rd. west of Millville. My reasons are as follows:

- 1. While Elba Township has an agreement with the City of Lapeer for sewer, the township has no plans or funds to extend sewer mains for properties with failing septic systems along these islands. Why, because Elba Township is anti-growth. Proof of the township position on growth exists around Potter Lake. After years of fines from the DEQ Elba Township in cooperating with Davison Township extended sewers to meet the DEQ's demands, then they raised the cost of sewer tap-ins to \$16,000 each for remaining tap-ins making their use financially impossible.
- Ideally if development extends continuously from the outer edges of growth the costs
  are controlled. After years of people living in these islands growth has gone on
  around them and now going back to include them will be more costly.
- 3. The Township of Elba has no plans to correct the problem. Proof, the Lapeer County Health Dept. will not give septic permits for new construction in these areas. Existing homes are offered variances from the typical systems in order to allow people to continue to live in their homes. (Some of these systems affect the people living next to them). No one wants to put people out of their homes but sewers, as offered by the City of Lapeer, are the answer.

In closing, I feel Elba Township has been controlled by anti-growth people for years, they have failed to address problems on Lake Nepessing, Potter Lake, and elsewhere and by

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WUAKER REALIY

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requiring single family homes on larger parcels of land they have minimized tax income and makes future problems impossible to correct at a reasonable fee.

Please send a message to Elba Township. To correct Lake Nepessing they had to use the City of Lapeer's sewers, to correct Potter Lake they had to use Davison Township's sewers and then they stuck their heads in the sand and waited for the problems to go away. They are your problem to correct now – please do so.

Sincerely

John Loudennik



City Manager's Office Phone: 810.664.5231 Fax: 810.664.2610

September 8, 2007

State Boundary Commission Bureau of Construction Codes P.O.B. 30704 Lansing, MI 48909

RE: Docket # 06 - AP - 2

Response to the 30 day comment material provided by the Commission

Note: I will list each item with its number provided in the mailed material for example, Correspondence Item 1 will be Item 1 in my response.

Item 1 – I agree with Mr. Loudermilk

Item 2 – I disagree with Mr. Comstock and find his conclusions inaccurate throughout both of his letters. In regard to his first letter section 3 - the Commission can check all the correspondence including the transcript of the first (March) hearing, the City never made any derogatory comments about the Elba Township Fire Department. Additionally, Elba Township will not incur any cost if the petitioner's property is developed. Elba Township will only lose \$135.44 in taxes if the subject parcel is annexed.

I would like to point out a very important fact about Mr. Comstock that he mentions in the first paragraph of his second letter; I don't own any property adjacent to or even near this site. "I will not be personally affected"...by the Boundary Commissions decision.

Also, Mr. Comstock is wrong about how much revenue sharing the City of Lapeer provides Elba Township for the 425 agreement. Elba Township receives in excess of \$51,000.00 from the City's development of that property which is about 10% of the Elba Township budget.

It is very obvious that Mr. Comstock was not at all privileged to the negotiations that took place between Elba Township and the City of Lapeer for the petitioner's property. He is completely wrong in his representations of those negotiations.

Item 3 – Marlene Zajenkauskas owns the Lapeer Business Center but is an absentee landlord. I had many conversations with Marlene prior to the March public hearing. She

576 Liberty Park • Lapeer, MI 48446 Website: www.ci.lapeer.mi.us



said many times that she was unable to decide if she wanted to move from Elba Township to be in the City. She called me and said not to count her as a land owner who wanted to come into the City because if she sells her property for \$2,000,000.00 and it is in the City, she will have to pay 1% income tax on her large capital gain.

Consistently she takes financial advantage of her property being on the boarder of the City of Lapeer but wants to remain in the Township for financial reasons. This is obvious with her statement that she has a fire rating of 5, same as the City of Lapeer. She has gone so far as to indicate in her cost breakdown that the Township rating is a 7/8. She must have misinformed her insurance carrier of her properties governing body because Elba Township can not provide a level five fire rating. However, the City can and she has taken advantage of that rating to save a significant amount of money on her liability insurance. It is interesting that the *Lapeer* Business Center resides in Elba Township and that she herself is an absentee landlord.

In her letter she mentions that there are hundreds of acres of land located within the City, across from her property, which are undeveloped. If she were a member of the community she would know that a ground breaking agreement was reached between City of Lapeer and Lapeer Schools to develop that property into a new middle school complex. Also, the property is about 49 acres not hundreds of acres.

She is incorrect; the City of Lapeer has never attempted to "come after us" her property. The annexation she refers to and has included articles about was in Lapeer Township and the land is now a part of the City of Lapeer.

Item 4 – Mr. Bryan Treat's letter is not at all correct. During this action neither the Church nor the City has ever claimed to want to extend Arlington Court. That was the original entrance the Church envisioned eight years ago prior to construction and now that the Church has a large ingress and egress off Davison Road it would be a waste of dollars to extend Arlington Court into the Church property. Also, the Whitman parcel has no access to Arlington Court. This road extension was used as a threat to convince the residents of Sterling Gardens to sign a petition against the annexation. Sterling Gardens property owners are not in the Commissions petitioned or extended area.

Item 5 – Important to note that the City of Lapeer put its position in writing granting amnesty to those Township residents who become City residents and still have a functioning water well and septic field. They do not have to attach to the City utilities until their private utility system fails.

Also, there are a significant number of Elba Township residents who reside on the islands that want to be in the City. Eleven out of twenty seven. Plus the two petitioners would be 13 out of 27 property owners or about 50%.

Item 6 - I agree, researched has shown that a fire suppression system can not run off a well because the level of water flow must be maintained for to long of a period of time.

The City Police and Fire Department is less than a quarter mile from the subject properties. This simply provides faster, safer, service. The community needs to have a road connection from Lake Nepessing to Oregon Road to relieve traffic congestion. A large number of Elba Township and City of Lapeer residents use the Lake Nepessing ramps on and off of I-69.

Item 7 – John Kosiara, Elba Township Supervisor was less than forth coming in his letter. He does not provide all the information which is misleading to the Boundary Commission. In the third paragraph he writes that the Township can provide three 30,000 gallon tanks of water within 1400 feet of the petitioner's property. While that is true what he is not telling the Commission is that the water is not directly accessible. Those tanks are on different pieces of property, all of which are on the wrong side of nine lanes of traffic. It would require tanker trucks to fill from the water tanks and transport the water to the petitioner's property which will not come close to providing the coverage of a fire suppression system which could be installed with City water.

Mr. Kosiara put a great deal of emphasis on a purchase agreement (which is not a purchase) of property in the City. Also, he calls out that the Faith Christian Church has "only been providing church services for six years". In both cases the response that seems appropriate is; why should this matter?

Item 8 – Mrs. Brenda Johnson, the Elba Township Clerk has provided false information. She suggests that the petitioner should be denied his request because he "did not come to Elba Township". That is untrue; I was personally at the meeting when Mr. Whitman addressed the township about his property.

Mrs. Johnson continues on that water and sewer services are available in Elba Township. Again she is misleading the Commission; water and sewer are available but not feasible. The cost to tap the 72 inch Port Huron to Flint water line (that is one mile away from the petitioner's property) renders the action mute. Not to mention the cost of running a water line one mile for a fifty acre development that is right next to existing water service. Elba Township sewer is not feasible for the same reasons and the capacity that Elba can provide through its agreement with the City of Lapeer is very limited and would therefore limit the development options of the petitioner.

Again, Mrs. Johnson puts a lot of importance on a note from Mr. Gary Shango who has a purchase agreement on the Rolling Hills Golf Course. A purchase agreement is not ownership and this note is of no significance. It is neither an agreement not to develop nor is it an agreement to be a golf course.

The five letters from the residents that are opposed to having their property annexed into the City of Lapeer are not under consideration for annexation, two of them actually live a mile of more from the petitioners property or the expanded property. They are not in the expanded section.

Item 9 – Michael Gildner, Elba Township Attorney indicates that it is speculative to believe that the church needs to expand because the church did not produce documents confirming its expansion plans. The City of Lapeer would never suggest that the Faith Christian Church is not being truthful; therefore, I have asked the pastor of the Church to provide a letter detailing their need for expansion. I marked it as attachment 1.

Finally, the **Petitions to Stop Annexation into the City of Lapeer** is a misleading effort. They contain a total of six properties in the extended area that are opposed to annexation. Adding the owner of the Lapeer Business Center that is a total of seven properties in the extended area that oppose annexation versus the 13 that are in favor of annexation. Therefore, 26% of the property owners in the extended area are opposed to annexation while 48% are in favor. The decision is clear.

Item 10 – Mr. Dilley who lives in the expanded area is counted in support of the petition. I did not have that information prior to the public hearing so that brings the total of property owners in favor of annexation to 13.

Item 11 – In review of these Townships exhibits it is unclear why they placed them on the record.

Item 12 – The table of comparable tax rates is misleading and incorrect. The tax table has no cost for water if the property is in the Township on a well; there are costs to operate a well and distribute water, those costs should include installation and maintenance of the well. City taxes are higher than Township taxes, just as the City provides many more services than the Township.

Any Township resident with City utilities chose to pay an in lieu of taxes charge for their utilities that is equal to the City property tax. Moving them into the City would cut their taxes dramatically.

In the accompanying correspondence from the Township is a sheet titled negotiation between township and city 12-05 1-06. This document has no cover letter, is it not signed nor is it on township letterhead. This document was never a request from Elba Township. Again, a bold lie, one that was intentionally placed in evidence. An actual copy of the last Elba Township correspondence is attached. It is marked as attachment 2.

Attached are maps detailing the location of the Elba Islands within the City of Lapeer. Please follow your guidelines and eliminate these islands. The residents of the islands are at constant risk of delayed or misdirected police or fire protection.

# FAITH CHRISTIAN FAMILY CHURCH

3440 Davison Rd. Lapeer, MI 48446 Phone: 810-667-0075 Fax: 810-667-1254

Email: faithfamily@intouchmi.com Web Site:

lapeerfamilychurch.com

September 10, 2007

Pastor Richard R. Menzing Administrator Diana L. Menzing Administrative Assistants Tessa Green Bethany Good

To Whom It May Concern:

In regards to why Faith Christian Family Church needs to expand their church facilities, the church has been in Lapeer for 26 years with consistent growth thereof, currently residing at 3440 Davison, Lapeer, Michigan.

When the church first moved to this location several things were considered, one of which was the ability to expand, knowing that city water would some day be an issue primarily for fire suppression. At the time we purchased the land, which was zoned specifically for churches, we were told that the city and township would most likely have some kind of shared revenue, and that services would eventually be available since our property is adjacent to the city.

When the first building was built 8 years ago, we had approximately 75 people in attendance on a weekly basis. We now average between 260 and 280, and are going to two Sunday morning services to help accommodate the steady growth.

In staying ahead with future planning, we began the process of annexation as it was apparent that the township was not working well with the city.

If I can be of any further assistance, please do not hesitate to give me call on my cell phone at 810-441-2908.

14

Richard R. Menzing

Sr. Pastor

RRM:dlm

TOUCHING HEAVEN, CHANGING EARTH

**UPWARD - INWARD - OUTWARD** 

## JOHN KOSIARA, Supervisor BRENDA M. JOHNSON, Clerk NINA M. SUTER, Treasurer



#### Attachment (2)

MICHAEL D. HODGES, Trustee MARK W. CONNELL, Trustee MICHAEL STOCKMAN, Trustee J. PAUL STOCK, Trustee

January 16, 2006

Dale Kerbyson City of Lapeer Manager 576 Liberty Park Lapeer, MI 48446

Dear Mr. Kerbyson,

I am writing to you in response to your letter addressed to the Elba Township Board, dated January 6, 2006. Having discussed your letter at the General Board Meeting held on January 9, 2006, the Board asked me to draft a letter in response to the City's unofficial offer to pay 1.4 mills in perpetuity to Elba Township for the annexation of Peter Whitman's property bordering the Rolling Hills Golf Course. It is felt by the Board that for an agreement to be met, the terms for annexation should be as follows:

- 1) 2.9 total combined mills to be paid to Elba Township's General Fund and Elba Township Fire Department, indefinitely on said parcel of land. (See attached comments on proposed 425 agreement from Elba Twp. Fire Chief, Mike Burke.)
- 2) Agreement between Elba Township and City of Lapeer for sewer capacity, currently down to 17,000 gallons from original 25,000 gallons, to be brought back up to 25,000 gallons.
- 3) The city of Lapeer shall provide Elba Township Residents membership in the City Community Center on the same terms and costs available to City Residents.

As you stated in your letter, the representatives from Elba Township and the City of Lapeer discussed 1.4 mills being an acceptable compensation on the current and improved value of the property to be annexed. That was based on an inaccurate calculation of potential revenues to Elba Township.

Please consider this proposal from the Elba Township General Board. If you should have any questions, please contact me at 810-664-2332.

Sincerely,

Brenda M. Johnson

Elba Township Clerk

PECENTO DE LA COMPANSION DE CO

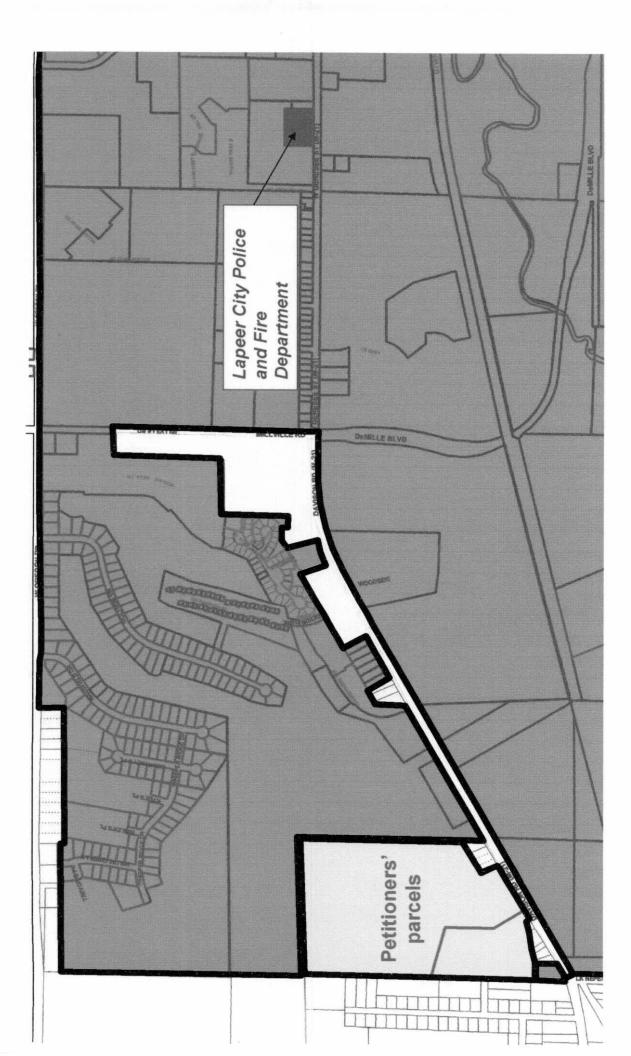
CITY MANAGER'S UPFICE LAPEER, MICHE

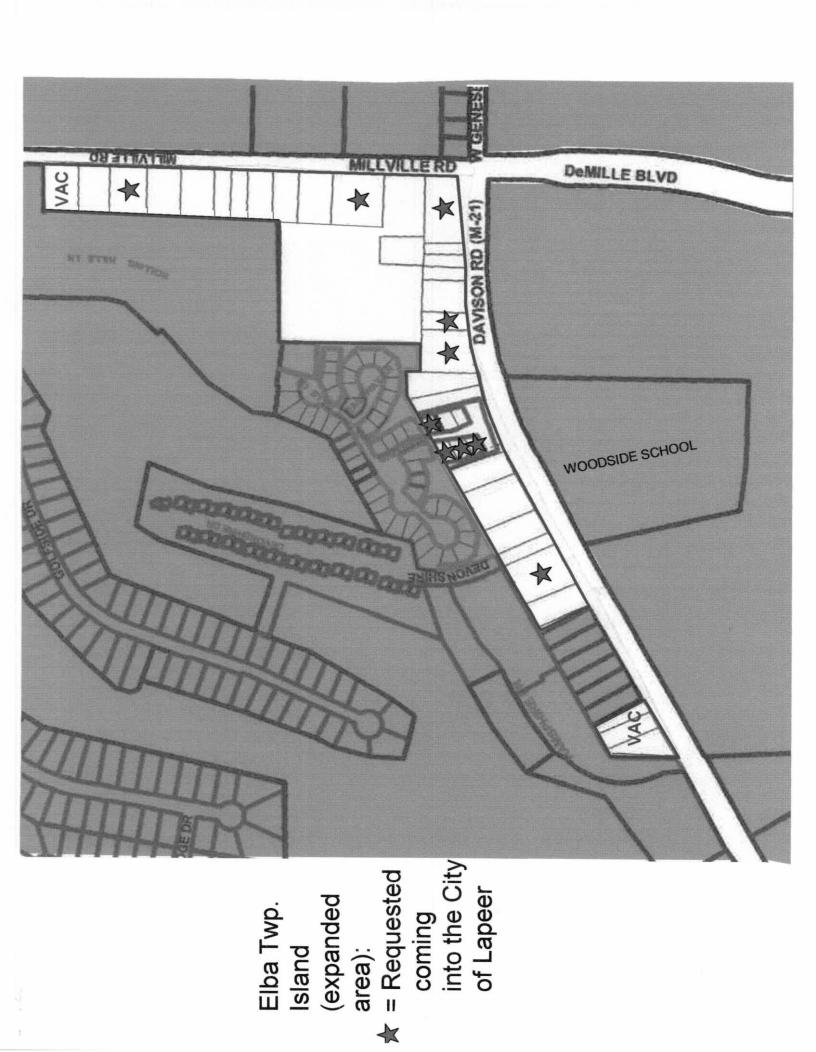
MT- 46/06 Lippincott Road

Lapeer, MI 48446

(810) 664-2332

Fax (810) 664-1003







City Manager's Office Phone: 810.664.5231 Fax: 810.664.2610

September 8, 2007

State Boundary Commission Bureau of Construction Codes P.O.B. 30704 Lansing, MI 48909

RE: Docket # 06 - AP - 2

Dear Commissioners,

STATE BOUNDARY COMMISSION

2Eb 1 5 5001

DELT OF LABOR & ECONOMIC GROWTH

I think it is important to make an observation of the proceedings to date. Every step of the process has been blemished with false or misleading information. My staff and I have tried to provide factual and accurate information from the very beginning, even admitting immediately that I made a mistake in the tax millage that I put in my letter to the Elba Township expanded area property owners. But I have a hard time ignoring the consistent misleading or inaccurate information being provided by Elba Township representatives. Some of those are:

- 1. The Township Attorney, just prior to the Boundary Commission public hearing presents himself as a developer to the City Planner and City Water and Waste Water Superintendent in a meeting where he asks questions about developing property.
- 2. Repeatedly the Township officials say that water and sewer is available in Elba Township. It is available, however, not feasible. A 72 inch water line runs along the northern boundary of Elba Township, it is extremely expensive to tap into. Also, a meter pit would need to be installed, and water line run to the customer. All extremely cost prohibitive.
- 3. Elba Township presents to the Commission a copy of a "Township Request" for revenue sharing and access to the City Community Center. I can only assume that they are implying that this was a final revenue sharing agreement proposal from Elba to the City of Lapeer. This request is not on Township letterhead or signed and was never presented to anyone, City or Petitioners.

The Commission also needs to know the process that the City of Lapeer went through to negotiate with Elba Township for this property prior to the petitioners request to annex. I attended an Elba Township Regular Board Meeting and asked the Township Board to assign a committee to negotiate an equitable arrangement for both entities. The Elba Township Board assigned a committee of three of its members, Mike Hodge –

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Commissioner, Brenda Johnson – Clerk, and Mark Connell – Commissioner. Lapeer appointed the Mayor – Chuck Treece, Commissioner Tim Turkelson and I to represent the City of Lapeer in the negotiations. After three meetings of the negotiating committee an agreement was reached. When the Township Committee members presented the agreement to there board it was rejected. That is when a whole new list of demands came from Elba Township in a letter from the Township Supervisor. Since the Township negotiated in bad faith the City decided to withdraw its generous offer and the property owners filed for annexation with the Boundary Commission.

Thank you for taking the time to review this information, I hope it has provided some insight into the annexation issue in our community.

Sincerely,

Dale Kerbyson, Manager

City of Lapeer

### TAYLOR, BUTTERFIELD, RISEMAN, CLARK, HOWELL, CHURCHILL & JARVIS, P.C.

407 CLAY STREET, LAPEER, MICHIGAN 48446 " (810) 664-5921 " FAX (810) 664-0904

Carl M. Riseman Gary W. Howell David J. Churchill Steven D. Jarvis Eric J. Knuth

Robert L. Taylor (1909-1992) Thomas K. Butterfield (1942-2006) Emory W. Clark (Of Counsel)

September 10, 2007

HECCIVED
DEFIL OF LABOR & ECONOMIC GROWTH

State Boundary Commission c/o Ms. Christine Holmes, Manager Office of Policy & Legislative Affairs 611 W. Ottawa Street P.O. Box 30704 Lansing, MI 48909

STATE BOUNDARY COMMISSION

SEP 1 2 2007

Re:

Rebuttal Information Docket No. 06-AP-2 Elba Township / City of Lapeer

Dear Commissioners:

This rebuttal letter is being submitted on behalf of my clients, the Faith Christian Family Church, Peter Whitman, and James Harrington. As you know, they are seeking to have their two properties annexed into the City of Lapeer. After reviewing the information submitted during the 30-day public comment period, we would like to make the following points:

- 1. Expanded Area. It appears that most of the opposition to the annexation petition relates to the so-called "expanded area" which the Boundary Commission proposed in order to eliminate Township areas which are surrounded by the City. My clients have no position as to the annexation of that expanded area. They are only concerned with the annexation of their two parcels of land which are very much in need of City public services. We urge the Boundary Commission to separately consider our request without regard to the disposition of the expanded area.
- 2. Real Estate Sales Agreement. The Township in its prior comments has erroneously stated that because a former purchase agreement has expired, there is no justification for the annexation. At the public hearing we made it clear that the properties cannot be utilized without City services, regardless of any particular purchase agreement. No purchase agreement is going to be effective indefinitely. The property will only be purchased and developed once it is in the City.
- 3. Sewer and Water. My clients' properties cannot be developed or further utilized based on wells and septic tanks. As demonstrated on the utilities map provided by the City, existing City sewer and water lines are very close to the Petitioners' properties. The Church cannot expand its facilities without public water for fire suppression. The Whitman/Harrington property cannot be developed without public sewer and water. These utility services are not available in

State Boundary Commission September 10, 2007 Page 2 of 2

Elba Township at any reasonable cost. Despite having tap-in rights to the Flint-Detroit water line for over 35 years, Elba Township has never chosen to make water service available to its residents. A water line connection, meter pit and at least two miles of water main would have to be installed by Elba Township in order to provide water service to my clients-at a cost of many hundreds of thousands of dollars. This is an impractical alternative to annexation and tapping into the City water system. Sewer service in the Township would cost at least one and one half times the City rates plus construction of lines. Annexation is also the only viable sewer solution.

- 4. <u>Fire Protection</u>. The City of Lapeer Fire Department can provide faster service because it is much closer to the Petitioners' properties than the Elba Township Fire Department.
- 5. <u>Police Protection</u>. City police protection is full time and the police department is located near to Petitioners' properties. Elba Township has only part time coverage by a sheriff's deputy.
- 6. <u>Road Extension</u>. The City has begun acquiring property to extend Lake Nepessing Road to Oregon Road in order to relieve traffic congestion in the area. The proposed road extension will include the entire western edge of my clients' properties. Annexation is necessary in order to allow the City road project to go forward.
- 7. <u>Tax Base</u>. The loss of tax base to the Township will be negligible if this annexation is approved. The Church property is tax exempt. The Whitman-Harrington property generates only \$135.00 in annual tax revenue to the Township. The larger community (schools, library, senior citizens, emergency services, and other tax supported services) will gain revenue by annexation and development.

We urge the Boundary Commission to authorize the annexation of my clients' two parcels of land into the City of Lapeer. Only then can the Church and the other owners have the opportunity to fully utilize their properties.

Sincerely,

Gary W. Howell

Attorney for Petitioners

GWH/kld

cc: Faith Christian Family Church

Peter Whitman James Harrington